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Farm Broadcasters Letter



CURRENT AFFAIRS RECORDS

Letter No. 2268

June 26, 1986

MIXED SIGNALS FOR AG OUTLOOK

The world economic growth in 1986 will average about 2.9 pct., near last year's estimated 3.1 pct., according to the U.S. Department of Agriculture. Slowdowns in Japan and the oil exporting countries may more than offset accelerating growth in Europe and, possibly, the developing countries of Asia. Inflation could decline further in the face of monetary restraint in many countries, reduced prices for petroleum and other commodities, and continued high unemployment rates. For the developed economies, inflation will almost certainly fall below the 4 pct. average of 1985. Interest rates are expected to remain low, compared with the 1980-85 average.

DOLLAR STILL UNDER PRESSURE

The U.S. dollar is still under pressure. It recently fell to a series of postwar lows against the Japanese yen, breaking below 160 yen before recovering. Movements in the dollar's value are strongly related to the price of a wide variety of internationally traded goods, including agricultural products. When the dollar rises, world prices in dollars fall and vice versa. Judging from the past, a long trend of dollar depreciation foretells upward pressure on international commodity prices, including food, according to the U.S. Department of Agriculture.

WHERE'S THE PORK CHOP?

The inventory of all hogs and pigs in the U.S. on June 1, 1986, is estimated by the U.S. Department of Agriculture at 48 million, 800 thousand head. This is 7 pct. below a year ago and 8 pct. below June 1, 1984. This is the lowest June 1 inventory since 1975. The breeding inventory at 6 million, 390 thousand head is the lowest June 1 breeding inventory since the establishment of June 1 U.S. inventory in 1964. Market hog inventory, at 42½ million head, is 6 pct. below a year ago and 7 pct. below two years ago.

WHEAT CLASSING

Effective as of June 20, the U.S. Department of Agriculture has established a new interim wheat classing procedure for nontraditional hard wheats which will be based on marketing area and intended class rather than kernel characteristics. The new grading procedure was agreed to at a workshop at the USDA, that included wheat producers and grain and milling industry representatives. A new classing system will be proposed this summer that meets long-term marketing needs, beginning with the 1987 crop.

U.S. TRADE
BALANCE

The contribution of agriculture to the U.S. trade balance continues to shrink, according to the U.S. Department of Agriculture. This year's agricultural trade surplus, forecast at \$7.5 billion, will be the smallest in over a decade. The volume of U.S. agricultural exports will decline for the sixth straight year in fiscal 1986, while the value of agricultural imports will probably reach a record high for the third consecutive year.

DAIRY
TERMINATION
PROGRAM

An estimated 24,200 head of dairy cattle were slaughtered in federally-inspected plants during the week ending June 2, as a result of the Dairy Termination Program, according to the U.S. Department of Agriculture. This total includes cows, heifers and calves. The cumulative total of cattle slaughtered under the program from April 1 through June 2 is an estimated 447,000 head.

ARGENTINA
WHEAT EXPORT
TAX

The Argentine wheat export tax for the 1986/87 crop year was lowered from 15 to 5 pct., according to the U.S. Department of Agriculture. The announcement follows a strike where farmers demanded a lower tax because of falling world wheat prices and generally depressed agricultural conditions. The announcement was made before planting, which allows farmers time to increase plantings. A larger crop likely would mean intensified competition for U.S. wheat.

SOYBEAN
DAMAGE

The U.S. Department of Agriculture's Federal Grain Inspection Service will hold a public meeting Thursday, July 10, to discuss possible changes in soybean damage interpretation. The meeting will begin at 10 a.m. in the Airport Kings Inn, 9600 Natural Bridge Road, St. Louis, Mo.

RED MEAT
PRODUCTION

Commercial red meat production for the U.S. in May 1986, totaled 3 billion, 390 million pounds, down 3 pct. from May 1985, according to the U.S. Department of Agriculture. The Jan.-May red meat production was 16 billion, 400 million pounds, up 1 pct. from last year. Beef production was 2 billion, 110 million pounds for May 1986, up 1 pct. from May 1985. Pork production was 1 billion, 210 million pounds in May 1986, down 9 pct. from May 1985.

FARM PRODUCTION
EXPENDITURES,
1985

Farm production expenditures totaled nearly \$126 billion in 1985, down 1.9% from just over \$128 billion in 1984, according to the U.S. Department of Agriculture. Lower expenditures for feed, interest, and farm machinery were partially offset by increased livestock and poultry purchases, labor expenses and farm services. Farm services, including rent, represented the largest expenditures for farmers, accounting for 22 pct. of the total. Feed accounted for 14 pct. of the total.

NO FRAUD IN
BLOOD SAMPLES

It's illegal to use fraudulent blood samples for any animal tests, and this includes tests used for diagnostic purposes, interstate shipment or for export, according to the U.S. Department of Agriculture. Since the beginning of the surveillance program last June, 84,734 blood samples from animals were analyzed for fraud and 47 cases have come under federal investigation. Penalties may include jail, fines or both.

FROM OUR
TELEVISION
SERVICE

CURRENT DAIRY OUTLOOK...The dairy termination program is expected to be the dominant force shaping milk production this year, but a number of other factors will also have their influence. USDA economist Clifford Carman examines those factors in the current dairy situation and outlook. Vic Powell interviews. (216)

CURRENT TOBACCO OUTLOOK...U.S. tobacco disappearance is expected to decline about three percent this season because of reduced domestic use and lower exports. USDA economist Verner Grise takes a look at the current situation and outlook for tobacco. Vic Powell interviews. (217)

ARS RESEARCH REPORT...USDA research scientists in Fort Collins, Colorado, are studying listening devices to detect sounds that plants make; and research scientists in Albany, California, are detecting food in luggage using video. Will Pemble interviews. (218)

ARS RESEARCH REPORT...A study to determine if cattle and sheep can graze together, and research work to find a biological control weapon against pink bollworm are the focus of current research work by agricultural scientists. Will Pemble interviews. (219)

GRAIN QUALITY CONCERNS...Lowell Hill, Univ. of Illinois, focuses on the grain quality issues and concerns and whether or not they are significant enough to affect exports. Gary Beaumont interviews. (220)



FROM OUR RADIO
SERVICE

AGRICULTURE USA #1517...(Weekly 13½ min documentary) Problems that parents have raising adolescent children. In this edition of Agriculture USA, Gary Crawford explores the problems that parents are having these days trying to keep their teenage children on the right track.

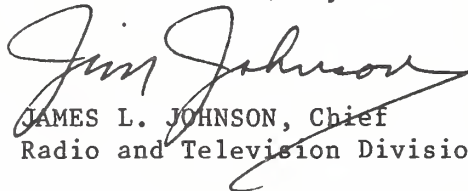
AGRITAPE/FARM PROGRAM REPORT #1506...(Weekly reel of news features) USDA news highlights; Cotton certificates; Export optimism; Importing grain; Farmland values.

CONSUMER TIME #999...(Weekly reel of news features) The White House and capital pear trees; Avoiding skin problems; Good news for coffee drinkers; Goat cheeses; Lentils.

USDA RADIO NEWS SERVICE...Mon, June 30, Agricultural prices; Tues, July 1, Weekly crop and weather report. Dial the USDA National News Line 202-488-8358 or 8359. All material changed at 5 p.m. ET each working day.

OFF MIKE

Welcome visitor in the office...Stu Ellis (WSOY, Decatur, Ill.). He had just returned from a trip to the Soviet Union as the only farm broadcaster with a group of Illinois farmers and agribusiness people. The group also visited Hungary and Poland, except Stu. He went to Vienna instead of Poland, because his visa wasn't approved for Poland. "Probably because I was a reporter," he says ... We've been meaning to report a recent phone conversation with John Baker. He's the author of the book, "Farm Broadcasting: The First 60 Years" now out of print. He reported that Skip Ragland (Ciba-Geigy, Greensboro, NC) had arranged to distribute the remaining copies of the book to NAFB members. Nice touch ... Letter from Von Ketelsen (Communicating for Agriculture, Fergus Falls, Minn) in which he reports he's distributing his up-beat 90-second "Focus" program to over 100 radio stations. You want more info, he'll be at the fall NAFB meeting in Kansas City ... Speaking of Ketelsen, this time brother Lynn Ketelsen. He's back from the Paris Ag Show. And his Achilles tendon injury suffered last fall is healed and he's into a full schedule of activities, including of course, travel to France ... You may notice a new voice on our USDA News Line. She's Sara Edwards, summer intern, senior at George Mason University across the Potomac in Virginia ... Former summer intern Kathleen Lonergan, now with Agriculture Radio Net, Little Rock, Ark., reports she achieved a new high: third prize in the Arkansas Buffalo Chip Chucking Contest. She chucked one 130 feet. We're impressed! ... Orion Samuelson (WGN, Chicago, Ill.) received the Chicago Farmers Club's Distinguished Service to Agriculture Award. Our congratulations! Incidentally, about the time you're reading this, Orion will be in England to, among other things, attend the Royal Agriculture Show ... Bob Bosold (WAXX, Eau Claire, Wis.) reports his Alaska Farm Tour to Alaska this August is booked solid. (They're touring via "Mosquito Airlines.")


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